Proposal Cover Page

Name of Proposal: Colorado Complete Healthcare Reform

Proposer or Team: PULSE of Colorado

Key Author: Jennifer Dingman

Address: 5349 Manor Brier Ct.
Pueblo, Co. 81005

Telephone: 719-564-0280

Cell: 719-250-1286

Fax: 719-564-0280

Email Address: pulsecolo@yahoo.com

Signatures of those authorizing the submission of the proposal:

_____

PULSE of Colorado

Comprehensiveness

What problem does this proposal address?

This proposal will address all aspects of redesigning the Colorado healthcare system in its entirety. Under the new system, all Coloradan will have equal access to timely healthcare. The new system will be comprehensive in its design that will give each patient a medical home complete with a primary team rather than a single primary physician. The team will consist of a physician, a nurse, a social worker or counselor and an advocate for the patient when needed. Health care will be all-inclusive and look at each case holistically, with emphasis put on preventative care and incentives for healthy lifestyles.

What are the objectives of your proposal?

The objectives of this proposal are to completely redesign the system of healthcare and heath care delivery in Colorado. Just providing access to the uninsured is not enough to create much needed healthcare reform. A main objective is to provide equal access for all Coloradan, make the system one that is cost effective, and will insure high quality and safe care with better outcomes.

The new system will be sustainable and contain costs, utilize cost shifting and provide complete coverage without exclusion.

General

Please describe your proposal in detail.

Our proposal will create a brand new healthcare system for the state of Colorado. In order to build an all inclusive, efficient and safe system, much of what we have in the present healthcare system must change. The present healthcare system that we have now is not working, and in order to fix it, we have looked at other systems to find where and how changes must be made. The United States has the most expensive healthcare system in the industrialized world, (1) yet we rate close to the bottom of the list of mortality rates, especially in maternal and infant mortality. Americans generally do not live as long as residents of other countries. Much of this has to do with our lifestyle, our eating habits and lack of access for so many Americans to basic healthcare. Our present system does not work to prevent illness and disease, but rather it needs illness and disease to sustain itself. Too many people who are not regularly seen by

providers use emergency facilities. The costs involved in this process are astronomical, both in financial losses and human life. Here we have begun to look at the big picture, we have evaluated many components that we have found to be crucial in providing optimum care to patients. Our proposal will also introduce a new no fault system that separates compensation from accountability. Our comprehensive proposal will attempt to address every single area necessary to build a brand new system brick by brick, one that will provide optimum healthcare that will benefit all Coloradan, be cost effective, and sustain itself over time as a model for the rest of the nation.

Who will benefit from this proposal?

All Colorado residents will benefit from this proposal.

Who will be negatively affected by this proposal?

No one will be negatively affected by this proposal.

How will your proposal impact distinct populations (e.g. low-income, rural, immigrant, ethnic minority, disabled)?

This proposal will impact distinct populations, as it will cover all Colorado residents without exclusion. All low-income residents will be eligible for this plan; rural citizens will have better access to care, as regional centers will be created by the plan. Immigrants will get coverage through the plan as long as they reside in Colorado. All persons who live in Colorado will be covered, as ethic minority will have nothing to do with care received by Colorado residents. Disabled persons will find that the coverage offered in this plan will give them better care and options than any existing plan that they now might carry. The new plan will complement and supplement all individuals on Medicare.

Please provide any evidence regarding the success or failure of your approach. Please attach.

A single or one payer system that covers all residents with universal coverage has been proven to operate efficiently with lower healthcare costs, healthier populations and lower mortality rates

than the USA. All of the systems that are mentioned in the appendix have a single or one payer system. Of course all systems have their flaws, but the authors of this proposal have studied many other healthcare systems and have attempted to create a model that will use the most practical attributes of each one in the hope of creating one of the best healthcare systems in the world. In the appendix we have attached summary information and links to three successful systems that have incorporated a compensation system that has been separated from accountability. The countries that have initiated these systems are Sweden, Denmark and New Zealand. We believe that a new system of disclosure, apology and fair compensation in all situations where something went wrong in patient care will open doors to reporting, tracking and learning. The irony of the tort system in the USA is that with the sky rocketing costs of malpractice insurance, few are fairly compensated by the legal system as it takes many years, is costly and difficult to use. Sadly, many who would be compensated under a no fault system are forced to seek public assistance after exhausting all of their assets. This puts more strain on the present health care system and the economy, as many of these individuals are uninsured for a time that might be crucial to their well being and future public funds spent on their care are much higher than preventative care would have been for them. "In 2001, the average malpractice payment in the U.S. was $265,103, which was higher than Australia, but 14 percent below Canada and 36 percent below the United Kingdom." (2)

In a new system of disclosure, reporting, tracking and compensation, malpractice premiums and awards would be significantly reduced. Similar to the "3 R s" program already in place by COPIC Insurance (3), a "Sorry Works (4)" like system would be established. Arbitration and negotiation will be viable alternatives to the standard tort system of costly litigation. We are confident that alternatives such as the aforementioned will be chosen instead of the tort system after full disclosure. Compensation of future medical costs are no longer an issue as all Colorado residents will have the healthcare that they need for life.

How will the program(s) included in the proposal be governed and administered?

The Commissioner of Insurance will administer the program, and the present Medicaid system will be extended to cover all Colorado residents. Funds collected would be placed in a Health

Trust Fund administered by State and Regional Health Boards. Funds currently going to Medicare, Medicaid and most other health funds would be directed to the Health Trust Fund, plus other funds as deemed necessary. A large State Board will oversee the program. The board will be comprised of healthcare providers and consumer representatives. There will be no less than twenty-four seats on this board. Committees will be formed to oversee each area of the new plan. There will also be regional boards created with the same structure as the state health board to assist the committees and state board in an advisory position.

To the best of your knowledge, will any federal or state laws or regulations need to be changed to implement this proposal (e.g. federal Medicaid waiver, worker's compensation, auto insurance, ERISA)? If known, what changes will be necessary?

All of the aforementioned laws shall be updated to comply with the new status of healthcare in Colorado and all other insurance coverage will eventually be phased out.

How will your program be implemented?

The new plan will be implemented by the Commissioner of Insurance, and administered by a department of the State Department of Health Care Policy and Financing. Funds collected would be placed in a Health Trust Fund administered by State and Regional Health Boards. Funds currently going to Medicare, Medicaid and most other health funds would be directed to the Health Trust Fund, plus other funds as deemed necessary.

How will your proposal transition from the current system to the proposal program?

All uninsured Colorado residents will have access to immediate and comprehensive coverage. Extending and enlarging the current Medicaid system to a new system that we will call "MediColo" will implement the program over a five-year period. New benefits and services will be added to the current package that those on Medicaid are eligible for at present. Preventative care and physician reimbursement will be the only component where immediate changes will occur. There will be no co-pays or deductibles, as both of these tend to discourage preventive care and early intervention. Doctors and other providers would remain in private practice, group practice or hospital employment, as they desire. Fees would be negotiated periodically with the local Health Board. There would be a single billing form. Hospitals would be non-profit and

would not charge for services, as they would negotiate a yearly global budget with their local Health Board.

Over what time period?

The new plan will be phased in over a five-year transition period.

Access

Does this proposal expand access? If so, please explain.

Access for all residents of Colorado will be expanded on the date of implementation. Those who are not insured at all will be eligible to fill out a simple enrollment form. Those who presently have insurance will be phased in during a 120-day period of transfer. This period of transfer will allow those who presently have insurance to switch to MediColo, equal costs paid for the private insurance will either remain the same or be reduced for MediColo coverage. Those who wish to buy into MediColo will be able to buy into the plan at a fair premium, granting much better coverage than any private plan. All other insurance companies will be permitted to continue to do business in Colorado for a five-year period, after which time they will be phased out of the market completely. In the five-year period, the MediColo billing department will tax these companies to cover the extra costs of billing for the state to be reimbursed. All other billing services will be phased out immediately, and a simple single form will replace the many tedious forms that are now adding costs to the twenty to thirty per cent of healthcare dollars being spent on administration. These costs will be reduced as we move into a single payer system that will cost no more than five per cent. On this simple form will be a place to enter the name of the private insurance company. MediColo billing will then use the insurance company forms to generate the billing, the payments would then be added to the Health Trust Fund, which would in turn compensate the providers. The new surtax paid by the insurers will cover the additional costs involved in this process that will be carried out solely by the state agency. No longer will there be costs incurred or resources needed for this process by any provider in Colorado.

How will the program affect safety net providers?

Safety net providers will not be affected at all by the new plan. They will actually see an increase in revenues generated by a new program that will give those who are privately insured at present an opportunity to use providers who are now prohibited from taking private insurance. There will also be an increase in what they now receive as Medicaid reimbursement.

Coverage

Does your proposal "expand health care coverage? (Senate Bill 06-208) How?

Providing coverage for every resident of Colorado under a one-payer system will expand healthcare coverage. The new one payer system will be called "MediColo", an expanded version of Medicaid. Every resident of Colorado will be given the opportunity to sign up for the new plan. Those with private insurance will be able to switch to MediColo without penalty. All pre existing conditions will be covered by the new plan. All residents who presently have health insurance will be permitted to buy into the new MediColo. Private plans will be permitted to do business in Colorado for five years following the implementation of the new one payer system if they so wish, provided that they are willing to pay a new surtax to do business in the state. Uniform standards of coverage will eventually serve all patients under this plan.

How will outreach and enrollment be conducted?

Public service campaigns, news articles, and provider education will assist in outreach. Enrollment will be handled by the state; simple forms will be available in all physician practices, hospitals and other medical facilities.

If applicable, how does your proposal define "resident?"

A resident is anyone who has a permanent address in Colorado. Proof or residency will be shown by a state identification card or a driver's license.

Affordability

If applicable, what will enrollee and/or employer premium-sharing requirements be?

In phase one of the new plan, those who are insured by private plans will be given the option to switch to the new plan, MediColo. Initial premiums will be shifted to MediColo if the resident chooses the new plan. Coverage will be all-inclusive in the new plan.

How will co-payments and other cost sharing be structured?

There will be no co payments in the new plan. Costs will be shared by the new one payer system and private insurance to start. Eventually, one or more of four options of public funding will be implemented to finance and sustain the plan permanently.

Portability

Please describe any provisions for assuring that individuals maintain access to coverage even as life circumstances (e.g. employment, public program eligibility) and health status change.

There will be no problem with portability as the new plan will be Universal. It will not matter where a resident works, as coverage will be guaranteed. The new plan will actually help the state's economy, as it will free up many who are employed now simply for benefits who would contribute to the state economy as small business owners and entrepreneurs if affordable and comprehensive healthcare coverage were available for them. All Colorado residents will be covered at all times as long as they are a permanent resident of Colorado, wherever they are in the state and for emergency care anywhere in the United States. The plan should be designed to transition into a similar plan nationally when one is available (fashioned after the Colorado plan).

Benefits

Please describe how and why you believe the benefits under your proposal are adequate, have appropriate limitations and address distinct populations.

The benefits in this plan will be more comprehensive and complete than any private plan that now exists in the state. There will be no exclusions for pre existing conditions, and a holistic approach will be taken in preventative care, thus shifting costs of what is now really "sick-care" to genuine "healthcare". The plan will cover the disabled with no exclusions, and extend long-term care without limitations. The plan will provide home healthcare without limitations whenever possible as it is far more cost effective to do so than force the elderly or disabled into costly long term care facilities. The plan will cover all medically necessary services including acute, rehabilitative, long-term and home care, extensive mental health services, dental and eye services, prescription drugs and medical supplies, preventive care and health education without exclusion for any pre existing condition. Prison populations might be reduced as the availability

of adequate treatment for emotional and mental illnesses and for substance abuse; the population of our criminal justice system would be markedly reduced. Further reduction could be achieved with appropriate release planning and supportive services. This would save the state money by reducing recidivism and changing potential inmates into self-sustaining citizens. Lack of access to health care and medication to released inmates is not acceptable as our jail population is exploding due to inadequate treatment available for mental illness and substance abuse after release from prison. It is not acceptable that overcrowded jails have become nothing more then mental health facilities in every community in Colorado. The plan will not cover cosmetic procedures, unless reconstructive, or ones which the governing boards have found to be ineffective, dangerous or generally have poor outcomes. Uniform standards of coverage will serve all patients under this plan.

Please identify an existing Colorado benefit package that is similar to the one(s) you are proposing (e.g. Small Group Standard Plan, Medicaid, etc) and describe any differences between the existing benefit package and your benefit package.

The plan proposed is an expanded and improved Medicaid plan renamed MediColo. The basic Medicaid coverage will be expanded and more benefits will be offered to all insured residents.

Quality

How will quality be defined, measured, and improved?

All providers and health facilities would be licensed by the state. Guidelines will be established relative to patient safety, staffing patterns, nurse to patient ratios, and quality of care, cost-effective procedures and evidence-based medicine. Individuals will have free choice of doctor, hospitals, and nursing facilities.

Quality will play a huge role in the success of the new plan. A committee of the new board that will oversee the plan will oversee quality and safety in MediColo. This committee will be large, with no less than twelve members. The members must have no less than one-half consumer representation sitting on this committee. The committee in and of itself shall be called the Colorado Patient Safety Board, also referred to as the CPSB. This board will, for all intensive purposes, replace all of the present regulatory agencies in the state. The regulatory agencies will be relieved of most issues of patient safety matters concerning consumer and peer review

complaints. The CPSB will oversee the collection of data of evidence-based practices, and put into policy what works best for each specialty of care. This will in turn set best practices that will be set as state standards of care. The CPSB shall also participate in the collection data of all sentinel events, errors, near misses and other unexpected outcomes. Regional Patient Safety Board representative boards will be created in the same way as the master board through committees of regional boards. Data will also be collected through a hotline where any interested party shall report events. This hotline will be modeled after the VAERS Reporting system (5) to track avoidable adverse outcomes in the system. Whenever warranted, the board shall recommend a root cause analysis of the reported event. (6). The RCA will include every single portion of the care given to the individual from outpatient to in-patient experience. Patients and families will have the option of full participation if they so wish. Valuable data will be collected from patients and families as they are presently excluded in most traditional RCA procedures. Patients and families are the one constant that has been involved with the care from the beginning to end. The CPSB will then make recommendations as to how to improve the system and avoid future negative outcomes. The old regulatory boards will still act as licensure agencies and disciplinarians. The load of cases will be greatly reduced as all cases brought to them will have come from the CPSB, backed by data and peer review information that will assist the boards in decisions of reduction of privileges, rehabilitation or in some cases, discipline.

<u>How, if at all, will quality of care be improved (e.g. using methods such as applying evidence to medicine, using information technology, improving provider training, aligning provider payment with outcomes, and improving cultural competency including ethnicity, sexual orientation, gender identity, education, and rural areas, etc.?</u>

Quality of care will be greatly improved by this system as no system like it presently exists in the United States. The costs of defensive medicine, malpractice insurance, medication errors, medical errors, hospital borne infections, medication interactions, over testing, under testing and other issues in this arena are eating up 1/3 to ½ of all healthcare dollars in the USA. We are confident that if a system were built that addressed each of the aforementioned areas and policy and procedure were put into place to repair these costly system flaws, cost shifting of savings in this area alone would more than insure every single uninsured resident in the state. We also believe that if this policy and procedure were put into place, extended benefits for all Colorado

insured would be available without further costs. MediColo will utilize electronic medical records, and all patients will have access to a CD of their own medical records, with the ability to update the records yearly. It is also recommended that all patients be given the opportunity to examine their medical records yearly for charting errors that might cause harm to them in the future. An example of this is an charting error that states a patient smokes cigarettes when they don't. This might affect interpretation of test results and a simple correction by the patient might save lives and unnecessary costs generated by the seemingly small charting error later. Models of existing Pay per Performance will be used in aligning provider payment with outcome. (8)

Efficiency

Does your proposal decrease or contain health care costs? How?

It is unknown if our proposal will decrease or contain healthcare costs, but it will build an efficient system by cutting out much spending due to the flawed system that we have in place now.

To what extent does your proposal use incentives for providers, consumers, plans or others to reward behavior that minimizes costs and maximizes access and quality in the health care services? Please explain

Our proposal will use incentives for all involved in patient care. Providers will be rewarded with recognition and financial incentives for finding system flaws and reporting the flaws to the CPSB. Best practices will also be recognized and rewarded and those who have shown to make strides will be given opportunity to teach other providers what they have learned through regional workshops. Hospitals will receive incentives for reducing the number of hospital borne infections. Consumers will get state tax incentives for costs of services and merchandise that keep them healthy. Encouragement will be given to all providers to restructure the way healthcare is administered to patients. All training for professionals in healthcare, medical and nursing schools will add classes on team approach and patient safety. Teamwork will be incorporated into every area of healthcare, recognizing patient safety as a key factor in better outcomes. A team of healthcare professionals who work together and communicate regularly about patient outcomes, constantly learning from each experience, will meet all hospital encounters. All patients will have a medical home with a team of providers caring from them.

The team will consist of the general primary physician, a nurse, a counselor or social worker, and an advocate for the patient when needed. The team will also include specialists if warranted. The team will communicate on a regular basis with all other providers using a holistic approach in preventative care. The patient will be a key part of this team and will be taught how important his or her contribution and responsibility are to a good outcome. Since all residents are covered, a large public service campaign will educate consumers that they no longer have to use emergency rooms for primary care. Thus more patients will be seen in physician offices before a crisis occurs in their care. This will cost shift from ER visits to primary care.

Does this proposal address transparency of costs and quality? If so, please explain.

The new system will increase transparency and quality in healthcare that will keep costs down, patients healthier and providers working together for better outcomes.

How would your proposal impact administrative costs?

All providers will use one simple universal billing form. These forms will be sent to a state agency that will pay for services from the general fund called The Health Trust Fund. This agency will also collect payments from private insurers that will be put into the Trust Fund; monies from the Trust Fund will then be paid to the providers. Providers will never again have to waste precious time and money on complicated forms and codes to be paid. Providers would be paid from a new scale created by a local Health Board, which will be a regional committee of the Board that oversees MediColo. The scale would be evidence based, and reimbursements would be higher than the present Medicaid rate. The rate will most likely be equal to the most generous rate paid to providers by HMOs who do business in Colorado. Providers will no longer have to cost shift to be paid fairly. Keeping patients healthy will significantly generate more income for providers than unnecessary testing and procedures do in the present system. This plan will avoid the high cost (15- 30%) of administration and profits inherent in private insurance. Funds collected would be placed in a Health Trust Fund administered by State and Regional Health Boards. Funds currently going to Medicare, Medicaid and most other health funds would be directed to the Health Trust Fund, plus other funds as deemed necessary. There will be no co-pays or deductibles, as both of these tend to discourage preventive care and early intervention.

Doctors and other providers would remain in private practice, group practice or hospital employment, as they desire. Fees would be negotiated periodically with the local Health Board. There would be a single billing form. Hospitals would be non-profit and would not charge for services, as they would negotiate a yearly global budget with their local Health Board. This would save the system much money spent on billing and administration.

Consumer choice and empowerment

Does your proposal address consumer choice? If so, how?

Our proposal absolutely addresses consumer choice whereas public education will be an issue of great importance. Consumers of healthcare will be free to choose any provider who practices in the state, and will be free to use any hospital or outpatient facility in the state. Regional boards would be appointed and have representatives of local providers and consumers, they will be responsive and accountable to the local community and its needs. The Local Boards would determine where new construction and expensive technology is needed in their area. They would focus on extending care into underserved areas.

How, if at all, would your proposal help consumers to be more informed about and better equipped to engage in health care decisions?

Our proposal includes extensive patient education through the use of community classes offered biannually. These classes might be held at public libraries or hospitals. Patients and families will be taught how to learn to use the Internet to find credible resources on illness, disease, medications, etc. There will be a list of resources available to all consumers that will include websites selected as credible by a committee of the Board that oversees the plan. Warnings will be given about all other online resources that are not on the list that will be updated annually.

Wellness and prevention

How does your proposal address wellness and prevention?

Under our proposal, all patients will have a medical home where they will have a primary physician, nurse, social worker or counselor, and an advocate when deemed necessary. This group will work in partnership with the patient in all aspects of health care. If other providers

are needed, the team will coordinate other providers and all will have constant communications, including the patient and the patient's personal representative when a personal representative is involved. The personal representative could be a family member or any other individual chosen by the patient. All patients will be given a copy of their own records, which will be updated annually. The team will also refer all patients to yearly dental checkups. Medication review will occur quarterly by the team, and evaluation of all medications taken will be completed at this time. Patients will be given educational materials on healthy lifestyles and encouraged to participate in a physical activity program designed by the team with much input by the patient. The absence of co-pays and deductibles would encourage the use of preventive care and early access to needed care. All physicians would be encouraged to urge their clientele to attend appropriate wellness classes and support groups. Such classes could be required before and/or along with specialized procedures resulting from poor health behavior decisions. Doctors and hospitals would be required to establish best practices related to patient safety issues. There will be tax incentives for health club memberships, children's sports fees, bicycles and approved exercise equipment. A licensed nutritionist who will evaluate each patient's lifestyle will also address diet yearly.

Sustainability

How is your proposal sustainable over the long-term?

The proposal will sustain over time as in the long term, it will save millions of dollars in what is now wasted in health care costs. The costs will be shifted to cover more individuals as time goes by. A single payer system in and of itself will save over 20% of health care costs initially. In addition to this, new standards of quality of care will be initiated and implemented through evidence based medicine and best practices. The collection and reporting of data will play a key role in this, as it will cause the system failures to be addressed and corrected over time. Costly duplication of equipment and services that are presently inefficient will be reevaluated and needed equipment will replace what is not cost effective in a not for profit system. For example, there are more MRI machines in Pueblo than in all of Toronto Canada, yet Pueblo has few ventilators that will accommodate children. Instead children needing these machines are flown

to hospitals to the north, thus putting these children at greater risk in the time it takes to transport them. In comparison, all provinces of Canada with substantial populations such as Pueblo have reasonable numbers of life saving equipment which take precedence over revenue generating equipment such as MRI machines in a system that is not motivated by profits nor run as a business.

Optional) How much do you estimate this proposal will cost? How much do you estimate this proposal will save? Please explain.

It is unknown to us at this time what the cost of implementation will be, but we estimate that this proposal might save one third to one half of all present health care costs once it is totally implemented in Colorado.

Who will pay for any new costs under your proposal?

The new system will be paid for by cost shifting of current costs, and public funding, which might include one of four options we have suggested or an entirely different source of public funding determined by the legislature. We have realistically considered potential new costs of the system we propose. Funding sources of state indigent programs will be shifted and added to the Health Trust Fund, which might be sufficient enough to cover all prescription drug costs incurred by the new plan. New costs will include coverage of all presently uninsured Colorado residents, expanded mental health services, dental and prescription drug coverage. Some present costs will be shifted such as regulatory agency costs to the new Colorado Patient Safety Board.

Regional Boards will be comprised of volunteers who will be both providers and consumers. Duplicated services of staff of multiple regulatory agencies will be downsized, as the new

CPSB will be an all-inclusive agency.

Data collection contracts will be awarded to a Patient Safety Organization that will receive federal funds to implement regional reporting systems to improve health care.

Billing costs will be cut by at least 20 per cent, and unnecessary tests will no longer be a problem, as fear of litigation will be greatly reduced due to the voluntary separation of compensation and accountability that now drive up costs of malpractice insurance.

Root Cause Analysis is already done routinely after certain sentinel events, which utilize resources such as employees of hospitals. Inclusion of patients and families will incur no additional costs.

How will distribution of costs for individuals, employees, employers, government, or others be affected by this proposal? Will each experience increased or decreased costs? Please explain

Initially, costs presently being paid to private insurers or comparable rates to those of private insurers will be made available for buy-in to MediColo, which will offer better coverage for the same costs. Eventually, when state funding options are selected and implemented, the initial costs will be done away with completely. Thus monies now spent on health care costs by employees, employers and others will be put back into the economy of the state.

Are there new mandates that put specific requirements on payers in your proposal? Are any existing mandates on payers eliminated under your proposal? Please explain.

There will be new mandates for all private insurance companies wishing to continue to do business in Colorado that will include a surtax for billing costs to the companies by the state run one or single payer-billing department. After five years, private insurance companies will be phased out as the new one payer system will be totally self sufficient and completely funded. No existing mandates that we know of will be eliminated by our proposal.

(Optional) How will your proposal impact cost shifting[0][15]? Please explain

Cost shifting in our proposal will be affected in many areas. All funds covered by the indigent programs for the uninsured who do not have insurance paid out presently will be shifted to the Health Trust Fund to adequately cover pharmacy and other durable medical equipment, while the costs that these funds now cover will be covered by the MediColo Health Trust fund.

Are new public funds required for your proposal?

New public funds will be essential for the success and sustainability of the new health care system in Colorado. What the state now covers in Medicaid will be expanded upon, with

0

reimbursements brought up to reasonable and acceptable levels for all providers. The twenty percent saved initially in billing and administrative costs will be put back into the system. New funding generated by one or more of the proposed state funding options or another option decided upon by the state legislature will cover the remaining costs. For a five year transition period, private insurance funds will supplement the general fund until funding options are implemented that will generate full coverage for all Colorado residents.

Optional) If your proposal requires new public funds, what will be the source of these new funds?

1. This option would create a new and permanent tax on fast food, cigarettes, alcohol, soda pop and candy.
2. This option would create a permanent one-cent sales tax statewide to cover the new health care system. This option is particularly attractive, as it will also utilize tourism as a source of revenue for Medicolo.
3. This option would create a type of a new state lottery game where all revenue from this game would fund the proposed plan.
4. In this option state income tax rates would see a small increase of no more than 4% for Corporations and no more than 2% for individuals to cover the new plan.

These options are suggestions that might be implemented in whole or in part. After the five-year transition period has been completed, all businesses, individuals, employers and employees will not longer be forced pay health insurance premiums. This will generate a strong and healthy economy for the state.

Footnotes:
(1) USA Spends More Per Capita on Health Care Than Other Nations ...
Health care spending accounted for 14.6% of the U.S. gross domestic ... in the United States, compared with a median of 18 hours daily in other nations; and ...
www.medicalnewstoday.com/medicalnews.php?newsid=27348 - 40k
(2)High Prices Are the Reason for High U.S. Health Spending
In "Health Spending in the United States and the Rest of the Industrialized World" (Health Affairs, July/August 2005), Gerald F. Anderson, Peter S. Hussey, ...
www.cmwf.org/publications/publications_show.htm?doc_id=283969 - 38k
(3) COPIC's 3Rs Program
www.callcopic.com/home/resources-tools/newsletters/copics-3rs-program/ - Apr 4, 2007 –
www.callcopic.com/resources/custom/PDF/3rs-newsletter/vol-1-issue-2-oct-2004.pdf -
(4) SorryWorks.net
www.sorryworks.net
(5) The Vaccine Adverse Event Reporting System".
http://vaers.hhs.gov/pdf/VAERS_brochure.pdf
(6) Theory, Philosophy and Justification for Root Cause Analysis
www.sentinel-event.com/theory.php - 33
(7) The Doctors Company | The High Costs of DefensiveMedicine
www.thedoctors.com/reference/1996-2002/highcost.asp - 22k
(8) Pay for Performance: A Decision Guide for Purchasers
www.ahrq.gov/QUAL/p4pguide.htm - 10k
Other Sources:

Medical Errors: The Scope of the Problem
Medical errors carry a high financial cost. The IOM report estimates that medical errors cost the Nation approximately $37.6 billion each year.
www.ahrq.gov/qual/errback.htm
Medical Error and Patient Injury: Costly and Often Preventable
The evidence suggests that costs associated with preventable medical error and injury, both in terms of human suffering and dollars spent by the Medicare ...
research.aarp.org/health/ib35_medical_1.html - 46k
Medication Errors Injure 1.5 Million People and Cost Billions of ...
There is insufficient data to determine accurately all the costs associated with medication errors. The conservative estimate of 400000 preventable ...
www8.nationalacademies.org/ onpinews/newsitem.aspx?RecordID=11623 - 42k
ISID Publications : Guide to Infection Control
Such hospital-acquired, or nosocomial, infections add to the morbidity, mortality, and costs expected from the patients' underlying diseases alone. ...
www.isid.org/publications/guide_infection_contr.shtml - 41k
UNNECESSARY SURGERY
File Format: PDF/Adobe Acrobat
unnecessary surgery, because they have tended to dissociate themselves from. the debates concerning cost containment and because most do not recognize ...
http://arjournals.annualreviews.org/doi/abs/10.1146/annurev.pu.13.050192.002051?cookieSet=1&journalCode=publhealth
Millions of Dollars Wasted on Unnecessary Medical Tests: Study ...
These exams are typically administered during regular physicals, researchers say.
www.forbes.com/forbeslife/health/feeds/hscout/2006/05/19/hscout532800.html - 45k
Report: U.S. behind other nations on HIT adoption
The United States is at least 12 years behind other industrialized nations ... The article looked at healthcare spending and IT adoption in countries that ...
www.healthcareitnews.com/story.cms?id=4931 - 16k
Davis & Cooper Testimony: American Health Care: Why So Costly?
Health care spending in the U.S. is higher because we pay higher prices for the ... compared with similar adults in other major English-speaking countries. ...
www.cmwf.org/publications/ publications_show.htm?doc_id=221624 - 39k
U.S. Health-Care System Scores a D for Quality - healthfinder.gov
In addition, costs to run the health-care insurance system are far higher in the United States compared with other industrialized countries that have ...
www.healthfinder.gov/news/newsstory.asp?docID=535048 - 14k

Appendixes:

Attachment 1.
International Health Systems
http://www.pnhp.org/facts/international_health_systems.php?page=all
Attachment 2
Swedish Medical Injury Act
http://cgood.org/assets/attachments/Carl_Espersson_USA.pdf
Attachment 3
Danish Patient Insurance Scheme
http://cgood.org/assets/attachments/Martin_Erichsen_USA.pdf
Attachment 4
Accountability sought by patients following adverse events from medical care: the New Zealand experience
http://www.cmaj.ca/cgi/content/abstract/175/8/889
Attachment 5
U.S. Health System Performance: A National Scorecard -- Schoen et
http://content.healthaffairs.org/cgi/content/abstract/hlthaff.25.w457v1